



Department of Justice

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**JUSTICE DEPARTMENT FILES ANTITRUST SUIT AGAINST
CHICAGO MAN FOR VIOLATING PRE-MERGER REQUIREMENTS**

WASHINGTON, D.C. -- The Department of Justice today filed an antitrust suit seeking a civil penalty from William F. Farley of Chicago, Illinois, for violating the premerger notification and waiting period requirements of the Hart-Scott-Rodino Act.

According to a complaint filed at the request of the Federal Trade Commission in U.S. District Court in Chicago, Farley, controlling shareholder of Farley Inc., a manufacturer and seller of hosiery and other textile products, began to acquire voting securities of West Point-Pepperell Inc. of West Point, Georgia, a manufacturer and seller of hosiery and other textile products, on March 9, 1988. On March 24, 1988, Farley increased his aggregate holdings in West Point-Pepperell to more than \$15 million.

The complaint said Farley violated the act when he failed to comply with its notification and waiting period requirements before acquiring more than \$15 million of West Point-Pepperell stock. The complaint said Farley was in violation of the act from March 24, 1988, through June 22, 1988.

James F. Rill, Assistant Attorney General in charge of the Antitrust Division, said, "The Antitrust Division and the Federal Trade Commission share the strong belief that the Hart-Scott-

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Rodino Act provides a highly important antitrust law enforcement tool by requiring that parties to certain large mergers and acquisitions notify the antitrust law enforcement agencies and observe a waiting period before consummating their transactions.

"To ensure that this enforcement tool continues to command the necessary respect, we will maintain our policy of bringing civil penalty actions when we discover violations of the act."

The Hart-Scott-Rodino Act of 1976, an amendment of the Clayton Act, imposes notification and waiting period requirements on individuals and companies over a certain size that contemplate mergers or acquisitions of stock or assets over a certain value or ownership percentage.

The act permits a federal court, upon the Justice Department's request, to assess a civil penalty of up to \$10,000 for each day a party is in violation.

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